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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/704,303	11/02/2000	Timothy Gephart Kirkpatrick	2030743-0001	4931

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EXAMINER

HAMILTON, LALITA M

ART UNIT PAPER NUMBER

3624

DATE MAILED: 07/30/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

09/704,303

Applicant(s)

KIRKPATRICK, TIMOTHY
GEPHART

Examiner

Lalita M Hamilton

Art Unit

3624

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☐ Responsive to communication(s) filed on ____.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-46 is/are pending in the application.
- 4a) Of the above claim(s) ____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) ____ is/are allowed.
- 6) ☒ Claim(s) 1-46 is/are rejected.
- 7) ☐ Claim(s) ____ is/are objected to.
- 8) ☐ Claim(s) ____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on ____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. ____.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- * See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☒ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date 07242004.
- 4) ☐ Interview Summary (PTO-413)
Paper No(s)/Mail Date. ____.
- 5) ☐ Notice of Informal Patent Application (PTO-152)
- 6) ☐ Other: ____.

DETAILED ACTION

Claim Rejections - 35 USC § 112

The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

Claim 19 recites the limitation "option commitment fee" in claim 18. There is insufficient antecedent basis for this limitation in the claim.

Claim Rejections - 35 USC § 101

35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

Claims 1-40 and 45-46 are rejected under 35 U.S.C. § 101 because the claimed invention is directed to non-statutory subject matter.

35 USC 101 requires that in order to be patentable the invention must be a "new and useful process, machine, manufacture, *or* composition of matter, *or* any new and useful improvement thereof" (emphasis added).

Claims 1-40 and 45-46 are rejected under 35 U.S.C. § 101 because; the claimed invention is directed to a non-statutory subject matter. Specifically the method claims as presented do not claim a technological basis in the pre-amble and the body of the claim. Without a claimed basis, the claim may be interpreted in an alternative as involving no more than a manipulation of an abstract idea and therefore non-statutory under 35 U.S.C. 101. In contrast, a method claim that includes in the body of the claim structural / functional interrelationship which can only be computer implemented is considered to have a technological basis [See Ex parte Bowman, 61

USPQ2d 1669, 1671 (Bd. Pat. App. & Inter. 2001) - used only for content and reasoning since not precedential].

In order to overcome the 101 rejection above, the following preamble is suggested:

"A computer implemented method for ---", or something similar. Also, in the body of the claim include structural / functional interrelationship which can only be computer implemented.

Claim Rejections - 35 USC § 102

The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

Claims 1-3, 5-15, and 18-46 are rejected under 35 U.S.C. 102(e) as being anticipated by Loy (US 2002/0120570).

Loy discloses a method for trade receivable processing, which the Examiner is interpreting as having the capability of being utilized interchangeably with a grantor/grantee, lessor/lessee, or licensor/licensee comprising forwarding information regarding at least one receivable from a grantor to at least one potential grantee, offering a purchase option to the potential grantee, the purchase option providing the potential grantee the right but not the obligation to purchase the receivable, the purchase option providing the grantor with an obligation to sell the receivable, offering, by the potential grantee to the grantor, an option fee (discount) accepting the option fee

by the grantor from the potential grantee, acceptance of the option fee by the grantor constituting an acceptance by the grantor of the purchase option from the potential grantee and thereby providing the potential grantee the right to purchase the receivable at or before the end of an option period, and in the offering a purchase option includes establishing a notification date where the notification date being a date on or before which the potential grantee is required by the purchase option to provide notification to the grantor regarding purchase of the receivable, offering, by the potential grantee to the grantor, an option fee, wherein the option period is a time period that exists between the accepting the option fee by the grantor and the notification date (p.2-3, 27-28 and p.4-5, 48-59); forwarding information regarding at least one receivable from a grantor to at least one potential grantee, offering an option to the potential grantee, the option providing the potential grantee the right but not the obligation to acquire the receivable, the option providing the grantor with an obligation to convey the receivable, offering, by the potential grantee to the grantor, an option fee, accepting the option fee by the grantor from the potential grantee, acceptance of the option fee by the grantor constituting an acceptance by the grantor of the option from the potential grantee and thereby providing the potential grantee the right to acquire the receivable at or before the end of an option period, and notification date being a date on or before which the potential grantee is required by the option to provide notification to the grantor regarding acquisition of the receivable, wherein the option period is a time period that exists between the accepting the option fee by the grantor and the notification date (p.2-3, 27-28 and p.4-5, 48-59); at least one receivable is a collection of receivables (p.1, 2);

distributing non-confidential information from the grantor to the potential grantee
determining if the potential grantee requested confidential information, and forwarding
confidential information from the grantor to the potential grantee if the potential grantee
requested confidential information (p.4, 51); the potential grantee offers to the grantor a
purchase price offer for the receivable, along with the option fee offer, in return for the
right to pay the purchase price at a later time (p.4, 51-52); determining that the
information about the potential grantee and determining that the information satisfies a
list of requirements (p.4, 51-52); the list of requirements is established by the grantor
(p.4, 51-52); forwarding, from the potential grantee to the grantor, notification regarding
exercise by the potential grantee of the purchase option (p.4, 52); the notification is
forwarded on or before the notification date (p.4, 52); if the grantee does not wish to
accept the receivables, then the notification includes the grantee communicating to the
grantor that the grantee does not wish to accept the receivables and if the grantee does
wish to accept the receivables, then the grantee providing no communication to the
grantor that the grantee accepts the receivables, thereby providing notification by the
absence of any communication (p.4, 51-52-has option of confirming); many notification
options (p.4, 51-52—at discretion of parties involved); the grantee pays the purchase
price and the receivables are conveyed from the grantor to the grantee (p.4, 51); the
potential grantee relinquishes and the grantor retains the option commitment fee
(inherent that it will be retained if relinquished according to legal documentation—p.5,
60); determining the amount of the option fee based on the length of the option period
(p.4,51-52—inherent based on legal documentation—p.5, 60); increasing the option fee

as the length of the option period increases (p.4,51-52—inherent based on legal documentation and at discretion of supplier—p.5, 60); forwarding information regarding at least one receivables from a grantor to at least one potential grantee step is performed utilizing a computer (p.2, 21); a computer determines the amount of the option fee, the computer determining the option fee based on the information regarding at least one receivables and terms of the purchase option (p.2, 21-computer may be used to determine fee); and the third party is an agent of the primary grantee (p.2-3, 27-28 and p.4-5, 48-59).

Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

The factual inquiries set forth in *Graham v. John Deere Co.*, 383 U.S. 1, 148 USPQ 459 (1966), that are applied for establishing a background for determining obviousness under 35 U.S.C. 103(a) are summarized as follows:

1. Determining the scope and contents of the prior art.
2. Ascertaining the differences between the prior art and the claims at issue.
3. Resolving the level of ordinary skill in the pertinent art.
4. Considering objective evidence present in the application indicating obviousness or nonobviousness.

Claims 4 and 16-17 are rejected under 35 U.S.C. 103(a) as being unpatentable over Loy in view of Hays (US 2001/0049658).

Loy discloses the invention substantially as claimed; however, Loy does not disclose the collection of receivables including at least one selected from the group of charged-off consumer receivables, charged-off commercial receivables, delinquent consumer receivables and delinquent commercial receivables; the committed grantee paying a non-compliance fee to the grantor; or the grantor refunding the purchase price, refunding the option commitment fee, and paying a non-compliance fee to the committed grantee. Loy teaches that there may be legal documentation (p.5, 60), which may have the penalties and other fees documented therein. Hays teaches a method for providing online collection services comprising clients utilizing collections services (p.1, 6) and collection of receivables including at least one selected from the group of charged-off consumer receivables, charged-off commercial receivables, delinquent consumer receivables and delinquent commercial receivables (p.3, 30). It would have been obvious to one having ordinary skill in the art at the time the invention was made to utilize the collection services, as taught by Hays into the invention disclosed by Loy, to collect on fees associated with breach of contract and to demonstrate that a variety of receivables may be utilized in the invention.

Provisional Application Listed on PTO-892 form

If a copy of a provisional application listed on the bottom portion of the accompanying Notice of References Cited (PTO-892) form is not included with this Office action and the PTO-892 has been annotated to indicate that the copy was not readily available, it is because the copy could not be readily obtained when the Office action was mailed. Should applicant desire a copy of such a provisional application,

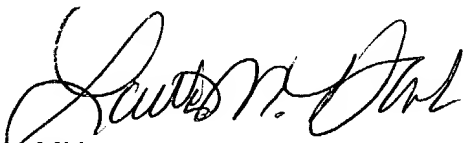
applicant should promptly request the copy from the Office of Public Records (OPR) in accordance with 37 CFR 1.14(a)(1)(iv), paying the required fee under 37 CFR 1.19(b)(1). If a copy is ordered from OPR, the shortened statutory period for reply to this Office action will not be reset under MPEP § 710.06 unless applicant can demonstrate a substantial delay by the Office in fulfilling the order for the copy of the provisional application. Where the applicant has been notified on the PTO-892 that a copy of the provisional application is not readily available, the provision of MPEP § 707.05(a) that a copy of the cited reference will be automatically furnished without charge does not apply.

Conclusion

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Lalita M Hamilton whose telephone number is (703) 306-5715. The examiner can normally be reached on Tuesday-Thursday (8:30-4:30).

The fax phone number for the organization where this application or proceeding is assigned is 703-872-9306.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).



LMH